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## ACCELERATED PRODUCT DEVELOPMENT TECHNIQUES

Commodity markets are the subject of the rapid changes and high level competition today. Enterprises are forced to accelerate development process of new products, reducing timelines from the origin of product's idea to its market launch. The proper time of market entrance is the critical success factor of new products, especially on highly dynamic markets such as market of high-tech products. Many studies have shown that the ability of rapid introduction of new products is tied directly to enterprise growth and profitability. Thus taking into account today's acute competition and increasing customer awareness, speed to market may provide the producer needed competitive advantage.

Cycle time metric often used in product development is "getting the idea to the shipping dock faster". This approach does not respond to enterprise goals, such as profit, sales or market share. So the metric to achieve those goals is supposed to be "from idea to market success". Figure 1 illustrates this concept.

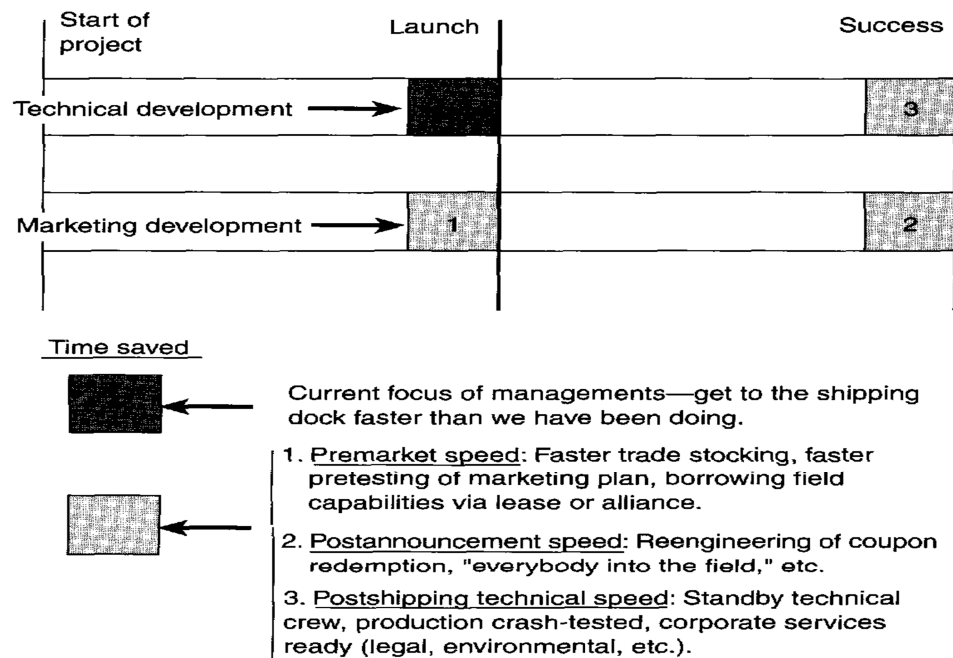


Figure 1. Speed to Market and the Role of Marketing

*Source: [1, p.325]*

Figure 1 also shows that when using metric "from idea to market success", marketing has a much bigger role to play in accelerating cycle time. Marketing can

strive to accelerate premarket speed (i.e., pretesting the marketing plan more quickly, or getting up to speed on field coverage through alliance formation) and also postannouncement speed (i.e., getting the sales reps into the field more quickly).

Considering the techniques for speeding time to market, few important matters should be underlined:

- modern studies shows us that mostly ideas of new products come from outside the company and can be “borrowed”, so manager should not waste time searching for idea just inside the company;
- the phenomenon of “surplus innovativeness” should be avoided, when all innovations are developed each time for the first time instead of their “stage-by-stage improvement”;
- marketing compound of the process needs all the time improvement: the better understanding of customer necessities is to be achieved same as clear consumer requirements to product are to be established. That foresees first of all the extensive user involvement early in the new product process, capturing the “voice of the customer”.

The most important characteristics of short-cycle-time companies are: collaboration between the departments, use of cross-functional teams, computer-aided design and other forms of rapid prototyping and manufacturing, reduced product complexity, simplified documentation and the use of standardized process plans, adoption of effective design philosophies and practices, fast decision making, parallel processing etc. Those techniques are able to reduce time for product development efficiently.

Meanwhile, one should take into consideration that accelerating time to market brings it's own risks, such as bringing a product to market too soon, while it still has bugs. Another risk of focusing exclusively on speed to market is that management might be tempted to concentrate on quick, close-to-home innovations at the expense of the revolutionary new products, thus putting new product development efforts out of strategic balance.

Accelerating time to market has been an important objective of innovating companies in recent years. Many techniques have been advocated for shortening cycle times, including parallel or concurrent processing, the use of cross-functional teams, reducing product complexity and turning to a more participative leadership style. Different studies provide evidence that firms that use cycle-shortening

techniques are indeed effective.

***References:***

1. Crawford Merle C., Anthony Di Benedetto C. *New products management*. – McGraw-Hill/Irwin series in marketing, 2003. – 567 p.